

**Attachment C**

**Partial Transcript from the  
Public Utility Commission of Texas  
February 21, 2002 Open Meeting**

1 AGENDA ITEM NOS. 5 & 9

2 PROJECT NO. 25432 - PUC PROCEEDING TO  
3 IDENTIFY USES OF CUSTOMER PROPRIETARY  
4 NETWORK INFORMATION;  
5 PROJECT NO. 19813 - FEDERAL MONITORING  
6 AND COMMENTS

7

8 COMM. KLEIN: Okay. Let's get  
9 back to Agenda Item No. 5. And we were also  
10 going to take up the comments from Agenda Item  
11 No. 9 pertaining to CPNI at the same time. And,  
12 Brett, why don't we try to agree to do this  
13 between now and 1:30 and see if we can't finish.  
14 I was reading the comments that were submitted  
15 by Southwestern Bell and Valor and Verizon, and,  
16 you know, a lot of my questions were answered  
17 through those comments, especially having the  
18 second opportunity to see these notices again.  
19 So I hope that it won't take any longer than  
20 1:30.

21 COMM. PERLMAN: That will be fine.

22 COMM. KLEIN: Okay.

23 COMM. PERLMAN: Do we want to have  
24 a representative from Verizon, Southwestern Bell  
25 and Valor here? You might come up.

26 COMM. KLEIN: And you have a list  
27 of questions you want to go through? Is that

1 how you want to do it?

2 COMM. PERLMAN: Yeah. You guys  
3 want to identify yourself for the court  
4 reporter?

5 MR. RICE: I'm Robert Rice for  
6 Valor.

7 MR. CARRATHERS: Charles  
8 Carrathers for Verizon, C-a-r-r-a-t-h-e-r-s.

9 MR. ERHART: Carl Erhart with  
10 Verizon.

11 MR. BROWN: David Brown,  
12 Southwestern Bell.

13 COMM. PERLMAN: Okay. You guys  
14 are the three that, I guess, are in the state  
15 out of the companies -- three of the largest  
16 companies who have -- the only companies that  
17 have submitted notices and that are doing opt-in  
18 as I understand it. So I'd like to kind of get  
19 a sense just so I can get a better understanding  
20 of the types of information, how the information  
21 is being used and sort of what some of your  
22 corporate policies are.

23 But before I do that, I wanted to give  
24 y'all a chance -- an opportunity to put  
25 something on the record if you have anything to

1 say.

2 MR. BROWN: David Brown  
3 Southwestern Bell. I think that -- I think that  
4 we've put a lot on the record in the context of  
5 the CPNI rulemaking. I thought we answered your  
6 questions for you, the ones that were published,  
7 so I don't think we have anything to add.

8 COMM. PERLMAN: Okay.

9 MR. CARRATHERS: Charles  
10 Carrathers from Verizon. I echo Mr. Brown's  
11 comments, and it's not simply the Texas rules as  
12 well, but, as you know, the federal rules we  
13 filed a lot there.

14 COMM. PERLMAN: Okay.

15 MR. RICE: The only thing I'd say  
16 on behalf of Valor is that Valor does take very  
17 seriously our responsibilities to our customers  
18 and the privacy of their CPNI.

19 COMM. PERLMAN: Okay.

20 MR. RICE: And we feel that we  
21 have a very conservative policy and we've  
22 explained it in our written comments.

23 COMM. PERLMAN: Okay. And I  
24 appreciate that. And I think I've expressed on  
25 the record my concern about privacy. So I just

1 wanted to kind of get it all on the record so --  
2 I think it's -- in a public forum so we can get  
3 a better understanding of how you're using the  
4 information and what your company is doing.

5           So let me just start there. First, I  
6 just want to get from all the companies --  
7 basically, all of you guys have made a corporate  
8 decision to implement an opt-out policy. Is  
9 that correct? There's nothing that compels you  
10 to do that. Can I get that from each of the  
11 companies? Is that correct?

12           MR. BROWN: David Brown,  
13 Southwestern Bell. That's right.

14           MR. CARRATHERS: Correct.

15           MR. ERHART: Correct.

16           MR. RICE: That's correct.

17           COMM. PERLMAN: You're aware,  
18 aren't you, that there has been at least one  
19 large ILEC that has decided to retain its opt-in  
20 policy pending the FCC's determination on CPNI,  
21 that request.

22           MR. BROWN: David Brown,  
23 Southwestern Bell. Yes we're aware that Qwest  
24 has changed its program.

25           COMM. PERLMAN: And are you aware

1 that in its press release that Qwest announced  
2 that it's going to appoint a chief privacy  
3 officer?

4 MR. BROWN: I'm generally -- David  
5 Brown, Southwestern Bell. We're generally  
6 familiar with that.

7 COMM. PERLMAN: Okay. How about  
8 the other companies?

9 MR. RICE: Valor is aware of that.

10 COMM. PERLMAN: Are there similar  
11 sorts of officers at your company?

12 MR. RICE: Robert Rice for Valor.  
13 At Valor we do not have an individual whose sole  
14 job is security and customer privacy issues. It  
15 is a responsibility that rests on the shoulders  
16 of our General Counsel and the regulatory  
17 directors in our respective states.

18 COMM. PERLMAN: Okay. And how  
19 about for the other two companies?

20 MR. ERHART: Carl Erhart with  
21 Verizon. Verizon has an executive director  
22 level position responsible for privacy, but  
23 privacy within all of our business units rolls  
24 up under a corporate compliance officer.

25 COMM. PERLMAN: Okay. And

1 Southwestern Bell?

2 MR. BROWN: David Brown,  
3 Southwestern Bell. We have a similar structure.  
4 We have many, many lawyers and regulatory people  
5 who keep an eye on customer privacy, CPNI, all  
6 these issues.

7 COMM. PERLMAN: But is there a  
8 specific officer --

9 MR. BROWN: We have a compliance  
10 officer, yes.

11 COMM. PERLMAN: And are there any  
12 restrictions in policies and practices that  
13 you've -- corporate policies and practices that  
14 you have that limit the use of CPNI other than  
15 the FCC regulations? Are there internal  
16 corporate limitations from each of the  
17 companies?

18 MR. RICE: Well, at Valor we do  
19 not provide CPNI to our affiliate. For example,  
20 we do not provide it to our Valor long distance  
21 affiliate. We do not provide it to Valor's ISP  
22 affiliate. We retain that information strictly  
23 within the ILEC.

24 COMM. PERLMAN: Okay. Is that  
25 pursuant to some written policy?

1                   MR. RICE: It is part of our CPNI  
2 policy. We don't have a separate policy apart  
3 from what it appears in the CPNI policy.

4                   COMM. PERLMAN: And we looked  
5 at -- just for Valor for one second -- we looked  
6 on your Web site and didn't see a copy of that  
7 policy. Is that available?

8                   MR. RICE: It can be posted there.

9                   COMM. PERLMAN: Okay. But it's  
10 not currently posted?

11                  MR. RICE: It is not currently  
12 posted on the Web site.

13                  COMM. PERLMAN: Okay. For the  
14 other two companies, are there other corporate  
15 policies that you're -- corporate restrictions  
16 on the use of CPNI in the form of a written  
17 policy statement?

18                  MR. ERHART: Carl Erhart with  
19 Verizon. And, yes, we do have a corporate  
20 privacy policy. And, Commissioner Perlman, you  
21 referenced the Web site reference. It is  
22 available on Verizon's Web site. And I did  
23 bring a copy of that for you here today, details  
24 on the privacy policy throughout the  
25 organization.



1                   COMM. PERLMAN: We copied it off  
2 the Web site, so I'm assuming this is the same  
3 one.

4                   And how about Southwestern Bell?

5                   MR. BROWN: We have -- of course  
6 on the Web site we have certain information  
7 about how we treat customer information, and we  
8 have a price privacy policy associated with  
9 that. It is the public policy, but we also have  
10 a code of business conduct that governs how our  
11 employees deal with the information internally.  
12 And that's -- it would certainly be consistent  
13 with whatever the FCC and the Texas rules are.

14                  COMM. PERLMAN: Okay. But I'm  
15 looking for additional restrictions on the use  
16 of information beyond what is in the federal  
17 rules or the state rules.

18                  MR. BROWN: No, I don't think so.

19                  COMM. PERLMAN: I want to turn  
20 now, if I could, to the types of information  
21 that each of you would share under your CPNI  
22 policies, if I could. And let me just go  
23 through the whole -- I think I have this right,  
24 but who I call would be a type of information  
25 that could be disclosed if I didn't opt out. Is

1 that correct?

2 MR. BROWN: David Brown,  
3 Southwestern Bell. When you say "disclose" if  
4 you mean disclose --

5 COMM. PERLMAN: Can be used by in  
6 furtherance of your -- in marketing or in  
7 furtherance of other -- selling more products  
8 and services the information who I call.

9 MR. BROWN: Yes.

10 COMM. PERLMAN: Okay. How about  
11 for Verizon?

12 MR. ERHART: Yes, I believe -- if  
13 I understand your question correctly.

14 COMM. PERLMAN: Yes.

15 MR. CARRATHERS: Chuck Carrathers  
16 from Verizon. Again, there is a definition of  
17 CPNI that could be used in some instances  
18 without customer consent and some instances  
19 within --

20 COMM. PERLMAN: And that would  
21 include who do I call --

22 MR. CARRATHERS: -- who we call  
23 and calling patterns and number of minutes. I  
24 don't believe that definition has changed for  
25 years.

1                   COMM. PERLMAN: Okay. I just want  
2 to go through each one of those just so I  
3 understand.

4                   MR. RICE: I'm not certain if  
5 you're asking about what we believe would be  
6 legally permissible or what we're actually  
7 doing.

8                   COMM. PERLMAN: Right. I asked  
9 first about what's legally permissible, then I  
10 asked you if you had any corporate restrictions,  
11 and I was told that --

12                  MR. RICE: We do not share -- we  
13 do not share CPNI outside the ILEC.

14                  COMM. PERLMAN: But in the ILEC  
15 you would use for marketing purposes who I call  
16 as a customer?

17                  MR. RICE: We could. We currently  
18 are not.

19                  COMM. PERLMAN: Okay. That's  
20 fine.

21                  And how about how much I call or how  
22 often I call? Let's start with Southwestern  
23 Bell.

24                  MR. BROWN: David Brown,  
25 Southwestern Bell. That is CPNI and, yes, we

1 could use it.

2 COMM. PERLMAN: And how about for  
3 Verizon?

4 MR. ERHART: Verizon would agree.

5 MR. RICE: And Valor agrees.

6 COMM. PERLMAN: Okay. How about  
7 when I call -- when I call someone?

8 MR. BROWN: David Brown,  
9 Southwestern Bell. Same answer.

10 COMM. PERLMAN: Okay.

11 MR. ERHART: Agreed.

12 MR. RICE: Agreed.

13 COMM. PERLMAN: Okay. And how  
14 about the number and types of services I  
15 subscribe to?

16 MR. BROWN: Same answer.

17 MR. ERHART: Agreed.

18 MR. RICE: Agreed.

19 COMM. PERLMAN: Okay. And how  
20 about how I use the services?

21 MR. BROWN: Yeah -- David Brown,  
22 Southwestern Bell. The question, of course, is  
23 going to come down to what you're talking about  
24 in terms of how you use it.

25 COMM. PERLMAN: Well, for example,

1 if I make lots of calls late at night.

2 MR. BROWN: That would be CPNI,  
3 yes.

4 COMM. PERLMAN: Okay. And how  
5 about for the other companies?

6 MR. ERHART: Agreed.

7 MR. RICE: Agreed.

8 COMM. PERLMAN: Okay. And so all  
9 these types of information are information that  
10 you would consider customer information that  
11 could be used for marketing purposes. Is that  
12 correct?

13 MR. BROWN: Yes.

14 MR. RICE: Yes.

15 MR. ERHART: Yes.

16 COMM. PERLMAN: Okay. So let me  
17 just give you -- I want to do a couple of  
18 hypotheticals and see whether these  
19 hypotheticals would fall under the definition of  
20 CPNI and what would be types of information that  
21 you use. If I call a lot of 800 numbers, for  
22 example, you would have access to that  
23 information?

24 MR. BROWN: Yes.

25 MR. ERHART: Yes.

1                   MR. RICE: Yes, we have access to  
2 it.

3                   COMM. PERLMAN: If I call a lot of  
4 900 numbers, you would have access to that  
5 information?

6                   MR. BROWN: Yes.

7                   MR. ERHART: Yes.

8                   MR. RICE: Yes.

9                   COMM. PERLMAN: Okay. If I call a  
10 number of medical facilities to inquire about a  
11 medical condition I have, you would have access  
12 to that information?

13                  MR. BROWN: We would have the  
14 number to which you called.

15                  COMM. PERLMAN: Right.

16                  MR. BROWN: Yes.

17                  MR. ERHART: Agreed. Generally,  
18 we have information about the number you call.

19                  MR. RICE: Yes, but we wouldn't  
20 know why you called.

21                  COMM. PERLMAN: If I make a lot of  
22 long distance calls to a specific group of  
23 people, you would have access to that  
24 information?

25                  MR. BROWN: Yes.

1                   COMM. PERLMAN: Okay. And for the  
2 others?

3                   MR. RICE: Yes, that's true.

4                   MR. ERHART: Access to the numbers  
5 that you called, yes.

6                   COMM. PERLMAN: Okay. I want to  
7 talk a little bit about -- well, let me just ask  
8 this question: For that sort of information, if  
9 a law enforcement agency were to try to obtain  
10 similar sorts of information, the information  
11 that you've described, how would they do so?

12                  COMM. KLEIN: Obtain it from the  
13 companies you mean?

14                  COMM. PERLMAN: Yeah, obtain it  
15 from the companies. How would they do so?  
16 Would you just give it to them?

17                  MR. RICE: No -- I'm sorry, for  
18 Valor, no, we will not release information to  
19 law enforcement agencies without either a court  
20 order or a warrant.

21                  COMM. PERLMAN: Okay. How about  
22 for the other companies?

23                  MR. BROWN: David Brown,  
24 Southwestern Bell, the same for us.

25                  MR. ERHART: The same.

1                   COMM. PERLMAN: Okay. So if I  
2 understand it, the types of information you're  
3 using for marketing purposes would have to --  
4 you would require a subpoena to turn over to law  
5 enforcement agencies?

6                   MR. BROWN: Yes, that's correct.

7                   COMM. PERLMAN: Okay. Let's talk  
8 about -- for a second about who the information  
9 could be shared with. I think each of you  
10 defined the information was shared with a family  
11 of companies. Is that correct?

12                  MR. BROWN: David Brown,  
13 Southwestern Bell. That's correct.

14                  COMM. PERLMAN: And for the  
15 others?

16                  MR. ERHART: Correct for Verizon.

17                  COMM. PERLMAN: Now for Valor may  
18 be a little different --

19                  MR. RICE: At Valor we do not  
20 release customer-specific CPNI to -- outside of  
21 the ILEC. We would provide gross CPNI  
22 information or we would provide mailing lists to  
23 our affiliate companies.

24                  COMM. PERLMAN: Okay. And within  
25 that family of companies -- and let's just focus



1 on the two companies that answered the last  
2 request "yes" -- that would include such  
3 services or such affiliated companies as  
4 cellular, Internet, perhaps home security, long  
5 distance?

6 MR. BROWN: David Brown,  
7 Southwestern Bell. Those are the types of -- if  
8 they're affiliated with us, those are the types  
9 of companies that we would work with.

10 MR. ERHART: Carl Erhart with  
11 Verizon. Generally, yes. Verizon is not in the  
12 home security business, but long distance,  
13 Internet, wireless --

14 COMM. KLEIN: Can you give me some  
15 examples about -- when you answered about having  
16 agents authorized to offer products or services  
17 on behalf of your company, just what kind of  
18 agents those would be?

19 MR. BROWN: David Brown,  
20 Southwestern Bell. We do have companies from  
21 time to time who are hired to actually sell  
22 services for us to do telemarketing for  
23 instance. What is shared with them is typically  
24 a list of names and telephone numbers, not  
25 necessarily anything further. But even then

1 those companies are -- while acting as our  
2 agent -- are under strict nondisclosure  
3 agreements that prevent their use of that  
4 information for any purpose other than the  
5 purpose to which we've given it to them.

6 COMM. KLEIN: Good. You answered  
7 my next question.

8 MR. ERHART: Verizon's  
9 relationship with its sales agents is the same  
10 as Southwestern Bell.

11 MR. RICE: We utilize  
12 telemarketing firms, and our policies are the  
13 same.

14 COMM. PERLMAN: So that answers  
15 also the question about whether you would use  
16 this information to do telemarketing, and the  
17 answer to that, presumably, is "yes."

18 MR. BROWN: Yes.

19 MR. ERHART: Yes.

20 MR. RICE: Absolutely.

21 COMM. PERLMAN: Okay. Do you have  
22 any co-marketing arrangements with unaffiliated  
23 companies for which you share CPNI?

24 MR. RICE: Commissioner --

25 COMM. PERLMAN: You might market

1 some product and service with another company.  
2 I know Sprint is doing this, for example, with  
3 EarthLink.

4 MR. RICE: You said unaffiliated  
5 companies?

6 COMM. PERLMAN: Yeah.

7 MR. RICE: Valor does not have any  
8 such relationships.

9 MR. BROWN: David Brown,  
10 Southwestern Bell. We don't have any right now.

11 COMM. PERLMAN: How about for  
12 Verizon.

13 MR. ERHART: Carl Erhart with  
14 Verizon. Not that I'm aware of, Commissioner  
15 Perlman.

16 COMM. PERLMAN: Okay. If you make  
17 subsequent acquisition into the family of  
18 companies, would those be included within the --  
19 if someone fails to opt out, would they -- the  
20 existing -- you would continue to use that  
21 information. You wouldn't renotify those folks  
22 about the fact that you've now -- that you're  
23 going to use this information for a different  
24 purpose, would you?

25 MR. BROWN: No, we think -- David

1 Brown, Southwestern Bell. We think the  
2 notification is thorough enough to cover an  
3 additional affiliate.

4 COMM. PERLMAN: Current and  
5 existing uses?

6 MR. BROWN: Yes.

7 COMM. PERLMAN: And how about for  
8 the other two companies?

9 MR. ERHART: Carl Erhat with  
10 Verizon, and I would agree.

11 In addition, if I could point out, I  
12 think customers have other options available to  
13 them should they want to be removed from  
14 Verizon's telemarketing list. We do offer and  
15 honor a do-not-call list and customers can do  
16 that also.

17 MR. RICE: Valor likewise has a  
18 similar list.

19 COMM. PERLMAN: How about  
20 Southwestern Bell?

21 COMM. KLEIN: Is it a free list?  
22 Is there any charge? Is it free of charge?

23 MR. ERHART: It's free of charge.  
24 And once a customer is placed on that list,  
25 they're on that list for ten years until they

1 remove themselves.

2 COMM. PERLMAN: Okay. Is simply  
3 doing the opt-out sufficient to invoke the  
4 do-not-call list or is that a separate type of  
5 action that a customer has to take?

6 MR. BROWN: David Brown,  
7 Southwestern Bell. It's a separate action. It  
8 can happen on the same phone call, but it's a  
9 separate action.

10 MR. ERHART: Carl Erhart with  
11 Verizon. Our policies are the same.

12 MR. RICE: I would echo that as  
13 well.

14 COMM. KLEIN: Is that on -- for  
15 those of you who have privacy policies on the  
16 Web site, is that on the Web site?

17 MR. ERHART: Carl Erhart with  
18 Verizon. And it is and it's included in the  
19 packet of information -- and I'm sorry --

20 COMM. KLEIN: I have one.

21 MR. ERHART: -- I have a packet for  
22 you also.

23 COMM. KLEIN: I have copies of the  
24 Web site information.

25 COMM. PERLMAN: But that

1 information was not included in the notice, I  
2 don't believe.

3 MR. BROWN: This is David Brown,  
4 Southwestern Bell. The notification is one  
5 that's required by PUC law or PUC Staff or -- or  
6 rules and by FCC rules. It deals with CPNI  
7 only.

8 COMM. PERLMAN: Okay. So it  
9 didn't go beyond to inform customers of other  
10 rights they might have?

11 MR. BROWN: Or other options they  
12 might have, no.

13 COMM. PERLMAN: And how about the  
14 other two companies?

15 MR. ERHART: Carl Erhart with  
16 Verizon. Our notice is consistent with that.

17 MR. RICE: I agree.

18 COMM. PERLMAN: Okay. And if I  
19 opt out, does that mean I won't -- you won't use  
20 me CPNI if I call into the call center, for  
21 example, for like a service quality issue?

22 MR. RICE: I'll answer that  
23 question for Valor.

24 COMM. PERLMAN: Okay.

25 MR. RICE: If a customer calls our

1 call center, we ask the customer's permission to  
2 access the customer's account information. If a  
3 customer asks a question about a particular  
4 service, obviously we'll discuss the service  
5 with the customer. So in that sense we do  
6 access CPNI. But if a customer were to call in  
7 for, say, a repair issue, no, no one is going to  
8 be accessing CPNI for purposes of trying to sell  
9 a product.

10 COMM. PERLMAN: Okay. For the  
11 others?

12 MR. ERHART: Carl Erhart for  
13 Verizon. During the course of a customer  
14 contact, yes, that business office associated  
15 representative may ask the customer for  
16 permission to access their information for  
17 purposes of answering their questions.

18 COMM. PERLMAN: Okay.

19 MR. DAVIDSON: Southwestern Bell,  
20 Dave Brown. If somebody called in on one of  
21 these calls, we would ask for -- we would use  
22 the CPNI only for the same bucket of services;  
23 that is, if they were a local customer and they  
24 called in for a local question, that's what we  
25 would work with.

1                   COMM. PERLMAN: Even if they had  
2    opted out?

3                   MR. BROWN: Even if they had opted  
4    out.

5                   COMM. PERLMAN: So the opt out  
6    would not have an effect on inbound calling?

7                   MR. BROWN: Well, that inbound  
8    calling is sort of a general term that might  
9    cover a couple of different things. There are  
10   two different options available there. One is  
11   duration of the call approval, which can be  
12   obtained on an inbound call --

13                  COMM. PERLMAN: Right.

14                  MR. BROWN: -- and the other would  
15   be just what generally happens as we just  
16   discussed.

17                  COMM. PERLMAN: Okay. If I have a  
18   nonpublished number, would you use my CPNI?

19                  MR. BROWN: Pardon me?

20                  COMM. PERLMAN: If I have a  
21   nonpublished number, would you use my CPNI to  
22   market telemarket products to me?

23                  MR. BROWN: Yes.

24                  COMM. PERLMAN: How about for the  
25   other companies?



1 MR. RICE: For Valor, yes.

2 MR. ERHART: Carl Erhart, Verizon.

3 I believe that's true. I'd have to check.

4 COMM. PERLMAN: It's on your Web  
5 site.

6 MR. ERHART: Okay.

7 COMM. PERLMAN: I want to talk  
8 about win-backs for a second. Are you planning  
9 on using the CPNI in your win-back programs?

10 MR. RICE: For Valor, no.

11 MR. BROWN: David Brown,  
12 Southwestern Bell. Yes.

13 MR. ERHART: Carl Erhart with  
14 Verizon. Yes. And it's our understanding that  
15 that that consistent with both the existing  
16 federal and state rules.

17 COMM. PERLMAN: That's fine. Just  
18 to talk for a second about logistics, Valor --  
19 the phone center, is it available nights and  
20 weekends for --

21 MR. RICE: I'm sorry?

22 COMM. PERLMAN: Is your phone  
23 center available nights and weekends?

24 MR. RICE: Our call center?

25 COMM. PERLMAN: Your call center.

1                   MR. RICE: The call center is open  
2 until 7:00 p.m. central time, and it's open on  
3 Saturdays. I don't remember the exact hours on  
4 Saturday.

5                   COMM. PERLMAN: And there's no --

6                   COMM. KLEIN: Is this the one  
7 specific for opting out the phone number?

8                   MR. RICE: No, no, this is -- we  
9 have two call centers, full purpose call  
10 centers. That's what I'm talking about.

11                  COMM. KLEIN: Okay.

12                  MR. RICE: Are you talking --

13                  COMM. PERLMAN: No, I'm talking  
14 about the call center for opting out.

15                  MR. RICE: I'm sorry. The number  
16 that is in our CPNI notice actually goes to a  
17 telemarketing firm. They have five  
18 representatives whose full-time job is to answer  
19 that number.

20                  COMM. PERLMAN: Right.

21                  MR. RICE: That call center is not  
22 open 24 hours a day. Customers can leave a  
23 message if they call after hours and the call  
24 will be returned by a representative the next  
25 business day or at a time a customer requests

1 they be called.

2 COMM. PERLMAN: Okay. And for  
3 Verizon?

4 MR. ERHART: Carl Erhart with  
5 Verizon. Verizon is utilizing a slightly  
6 different approach for customer contact. We  
7 utilize an IVR system --

8 COMM. PERLMAN: Yes, which  
9 actually works pretty well because I tried --

10 MR. ERHART: Yes, a separate  
11 number set up for business and residence. If  
12 the customer was to call one of our business  
13 offices, we can mail to them a copy of the  
14 notice and a form for them to opt out.

15 COMM. PERLMAN: Okay. And,  
16 Southwestern Bell, I called yours last night  
17 and, strangely enough, the voice response system  
18 wasn't working. Any -- the number on the notice  
19 doesn't go to a voice -- it appears not to go to  
20 a voice response system.

21 MR. BROWN: Well, that's news.  
22 We've had people doing test calls on it  
23 repeatedly over the last few months and  
24 nobody -- we've heard no complaints.

25 COMM. PERLMAN: Okay.

1                   COMM. KLEIN: Did you call on a  
2 landline or a cell phone?

3                   COMM. PERLMAN: No, from a  
4 landline. If it's the number in the notice  
5 attached to your --

6                   MR. BROWN: The notification --  
7 the number in the notification, the IVR, is, as  
8 far as I know, still in operation.

9                   COMM. PERLMAN: Okay. Well, it  
10 wasn't last night.

11                  MR. BROWN: I understand.

12                  COMM. PERLMAN: Okay.  
13 Confirmations. If I request to opt out, do I  
14 get a confirmation?

15                  MR. BROWN: David Brown,  
16 Southwestern Bell. Yes, you will. At the  
17 completion of the IVR system you'll get a  
18 confirmation that it is -- that your request has  
19 been registered. If you call our business  
20 office during the business hours and also an 800  
21 number that's listed in our Web site among other  
22 places, you'll get a confirmation over the phone  
23 that you've been registered.

24                  MR. ERHART: Carl Erhart with  
25 Verizon. Our process works the same.

1                   MR. RICE: At Valor the customer  
2 would be told that they are registered, that  
3 their account has been coded so that they have  
4 opted out.

5                   COMM. PERLMAN: And last question:  
6 Notice is in Spanish or other languages for  
7 Valor?

8                   MR. RICE: We did not send out a  
9 Spanish language version. Spanish language  
10 version would be made available if a customer  
11 requested.

12                  COMM. PERLMAN: Okay.

13                  MR. ERHART: Similar -- I'm sorry,  
14 Carl Erhart with Verizon, similar for us. Let  
15 me clarify our comments a little bit that we  
16 filed on Friday because we do have, I think, a  
17 unique feature in Texas. Our bill includes a  
18 tag line for customers that's in Spanish that  
19 says -- asks the question, "Do you have a  
20 question for Verizon," and provides an 800  
21 number that will link that customer to a  
22 national multilingual center that we maintain.  
23 So they're able to handle not just Spanish  
24 speaking customers but those that speak several  
25 different languages.

1           And we're able to identify customers  
2   that have either self-identified to us in the  
3   past that they're Spanish speaking or based on  
4   previous contacts with us. We've identified  
5   them as Spanish speaking. That's included as a  
6   tag line on their bill for this and for any  
7   other notice.

8           COMM. PERLMAN: Okay.

9           MR. BROWN: David Brown,  
10   Southwestern Bell. As our notification says at  
11   the bottom of it, there's both English and  
12   Spanish language to the effect that you can get  
13   a Spanish notification.

14          COMM. PERLMAN: Okay. Well,  
15   that's really all the questions I had. I don't  
16   know -- do you have any?

17          COMM. KLEIN: No, my questions  
18   were answered in the comments, which I  
19   appreciated them and the questions that were set  
20   out there.

21          COMM. PERLMAN: I think this has  
22   been helpful just to get a better understanding  
23   of how CPNI is used in each of your businesses,  
24   and I appreciate you being willing to take the  
25   time. I think, you know, one of the things I

1 would suggest to go onto the comments is that we  
2 attach this as a transcript to the -- to what we  
3 file with the FCC. I think it's important to --

4 COMM. KLEIN: To attach the  
5 parties' comments?

6 COMM. PERLMAN: No, to attach the  
7 transcript from the discussion to the comments.

8 COMM. KLEIN: Okay. That's fine.  
9 And why don't we attach the comments themselves?

10 COMM. PERLMAN: We can do that,  
11 too.

12 COMM. KLEIN: That would be easier  
13 reading for them.

14 COMM. PERLMAN: Right. I mean, I  
15 think the concern that I have was -- you know,  
16 is the type of information and the breadth of  
17 which it's shared. And I think it's important  
18 as the FCC goes and revisits this policy that  
19 they have at least some factual record on which  
20 to base its decision should they decide to  
21 either continue with the choice policy, to adopt  
22 an opt-out policy or an opt-in.

23 MR. BROWN: Before you turn --  
24 David Brown, Southwestern Bell. We just had  
25 someone go out in the hallway and test the IVR

1 system, and it's operating.

2 COMM. PERLMAN: Okay. Good.

3 Great. Thanks.

4 COMM. KLEIN: All right. Thank

5 y'all very much. We appreciate your

6 responsiveness.

7 COMM. PERLMAN: Thank you.

8 COMM. KLEIN: Okay. Let's go

9 ahead and entertain a motion to approve these

10 comments as submitted by Staff to include also

11 these parties' comments that were filed and the

12 transcript.

13 COMM. PERLMAN: So move.

14 COMM. KLEIN: Approved.

15 COMM. PERLMAN: Just to reference

16 that if you could in the text.

17 COMM. KLEIN: Yes.

18 I think that does it for the telecom

19 agenda, and it looks like most everybody is in

20 place for the electric agenda, so we'll -- why

21 don't we start with item number -- Agenda Item

22 No. 28.

23 COMM. PERLMAN: If I can jump out

24 for one second and grab Connie's material, I'll

25 be right back.